

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 159 - HB 164

March 16, 2015

SUMMARY OF BILL: Requires individuals seeking licensure and endorsement as an occupational education teacher to complete a teacher education program that does not exceed nine hours.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue - \$437,300/FY15-16

Exceeds \$437,300/FY16-17 and Subsequent Years

Assumptions:

- Based on information received from the Tennessee Board of Regents, approximately 120 students are in occupational education licensure programs.
- TBR does not anticipate a reduction in the number of students in occupational education licensure programs as a result of this bill.
- The current programs are 18 hours in length, split between two nine hour semesters.
- Currently, the average cost of nine hours of graduate study at a TBR university is \$3,438 per semester.
- Under this bill, each occupational education licensure program will consist of just nine hours total. Shortening this credit hour requirement will reduce the cost of this training for occupational education students.
- With an average increase in tuition of six percent, the decrease in tuition revenue in FY15-16 is estimated to be \$437,314 [(\$3,438 x 106.0%) x 120 students].
- In FY15-16 and subsequent years, the recurring decrease in tuition revenue will exceed \$437,314.
- TBR does not anticipate a reduction in expenditures for faculty and staff within these programs. These staff will be reassigned, if necessary, to teach other subjects.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "Jeffrey L. Spalding".

Jeffrey L. Spalding, Executive Director

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